

May 5, 2009

Ms. Jennifer L. Jacobson
Coastal Team Leader
U.S. Army Corps of Engineers
Mobile District Planning and Environmental Division,
Coastal Environment Team
109 St. Joseph Street
Mobile, Alabama 36602

Subject: EPA's Comments for the Revised Final Supplemental Environmental Impact Statement (FSEIS) for the Authorized Improvements to the Federal Gulfport Harbor Navigation Channel, MS; CEQ #: 20090053, ERP #: COE-E32070-MS.

Dear Ms. Jacobson:

Pursuant to Section 309 of the Clean Air and Section 102(2)(C) of the National Environmental Policy Act (NEPA), U.S. Environmental Protection Agency (EPA) Region 4 reviewed the revised Final Supplemental Environmental Impact Statement (FSEIS) for the Gulfport Harbor Navigation Channel. The US Army Corps of Engineers (USACE), Mobile District's revised FSEIS replaces the FSEIS submitted to our office in March 2009. EPA is a cooperating agency on this project.

EPA Region 4 submitted previous comments to USACE on the Draft Supplemental Environmental Impact Statement (DSEIS) for this project on April 2, 2007. Based upon EPA's review of the DSEIS, it was assigned a rating of "EC-2" due to environmental concerns and additional information requested. EPA recommended that "every effort should be made to minimize the environmental impacts to biological resources, find beneficial uses to the extent practicable for the disposal material and provide EPA with the MPRSA Section 103 Evaluation, Sediment Testing Report to ensure that the disposal material meets the Ocean Dumping Criteria."

The revised FSEIS incorporates changes made in response to EPA's DSEIS comments. The proposed project evaluates the consequences of the USACE proposal to widen the Federal Gulfport Harbor Navigation Channel from 220 to 300 feet in Mississippi Sound and from 300 to 400 feet in the bar channel for a distance of 10 and 11 miles, respectively. The purpose of the widening is to provide for safe and unrestricted navigation into and out of Gulfport Harbor. Prior improvements to the harbor included deepening the channel to 38 feet.

The revised FSEIS evaluates the impacts of widening the channel to its authorized dimensions, performing maintenance dredging on the existing channel, and placing the dredged material in pre-approved disposal areas, and then the FSEIS identifies the preferred alternative. The USACE states that improvements of the Federal Gulfport Harbor Navigation Project “were initially authorized by the Fiscal Year 1985 Supplemental Appropriations Act (Public Law 99-88),” and that the “Water Resources Development Acts (WRDAs) 1986 (PL 99-662) and 1988 (PL 100-676) further modified the project to cover widening and deepening and thin-layer disposal, respectively.”

Two alternatives are examined in the revised FSEIS, including a no-action and an action alternative (e.g., enlarging the Harbor). Enlarging Gulfport Harbor requires dredging and disposal of approximately 6.7 million (6.7 M) cubic yards of material, including 3.8 M of “new work” material and 2.9 M of “maintenance” material. The sediment will be removed using various dredging methods including mechanical dredging and hydraulic cutter head and hopper dredging. Three disposal options for the dredged material have been previously examined in the DSEIS – littoral disposal area southeast of Cat Island, use of the existing Ocean Dredged Materials Disposal Site (ODMDS) located on the west side of the project, and placement in new Gulfport Offshore ODMDS south of the Safety Fairway and east of Chandeleur Islands.

EPA previously submitted the following SDEIS comments on April 2. The USACE responded to most of our agency comments in the FSEIS. EPA has a few remaining comments. Our remaining SDEIS comments are shown in italics below along with the USACE’s and EPA’s subsequent response.

Section 2.2: Need for Proposed Action

1. The need for the proposed action is not substantiated in the SDEIS with data. The document states that pre-Hurricane Katrina documentation shows frequent “waiting at anchor” status of many vessels entering the Port and that vessels often have to wait in Port while inbound vessel navigate through the channel. There is no discussion regarding the percentage, numbers, or types of vessels that have to wait, average wait times, and or level of congestion in Gulfport Harbor. The FEIS needs to supply more specific information on issues such as the “frequent waiting at anchor” status of vessels. A small table of number of vessels/month would be useful.

The USACE response states that “the purpose of the proposed action is to comply with the Supplemental Appropriations Act of 1985 (Public Law 99-88) and the WRDA of 1986 (Public Law 99-662). This is indicated in Sections 2.1 and 2.1.1. The information in Section 2.2 is provided as background.”

EPA Response: EPA understands the various regulatory acts that the USACE is complying with. However, the SDEIS does not include data that substantiates the need for the proposed action. It is unclear whether an economic study was conducted to substantiate the proposed action. Was there any type of Benefit/Cost Study conducted? If so, what is the B/C ratio? In previous Corps of Engineers dredging projects, economic modeling has predicted

favorable B/C ratios that were diminished before construction ever started (which may occur years after the economic modeling

is conducted). The Office of Management and Budget (OMB) has also noted that on other dredging projects the predicted growth in ship traffic never materialized. If a Benefit/Cost Study was conducted for this project, net benefit estimates should be updated using current shipping information. The world shipping industry has decreased significantly since the pre-Katrina period. For example, world trade values in the last quarter of 2008 dropped 45 percent compared to the last quarter of 2007 - - and according to the International Maritime Organization, 90 percent of global trade is carried by sea. The World Trade Organization is now predicting a 9 percent decrease in world exports by volume in 2009, the largest contraction since World War II.

2. 3.2.3.2 Beneficial Use Alternatives Beach Nourishment - same comment as above. The DSEIS does not mention maintenance material being used for environmental enhancements such as beach nourishment. The FEIS should discuss the probability of using the dredged material from the proposed project for beneficial uses. It should also discuss the potential volumes of materials that will be available for this use.

The USACE states that the “text was modified to reference Tables 3-2 and 3-3. Text in (now) Section 3.2.3.3 was changed to state that new work material would not be suitable for Beach Nourishment.”

EPA Response: It is unfortunate that the new work material is not suitable for Beach Nourishment. During our review, we noted that there is a mistake in the revised document on page 3-11. The text states that "Harrison County requires that dredged material used for beach nourishment be a minimum of 90 percent sand (by weight) that passes through a No. 40 mesh (420-µm) sieve. The remaining 10 percent material by weight must pass through a No. 200 mesh (75-µm) sieve." The text should state that: Harrison County requires that dredged material used for beach nourishment be a minimum of 90 percent sand (by weight) that passes through a No. 40 mesh (420-µm) sieve. No more than 10 percent material by weight may pass through a No. 200 mesh (75-µm) sieve.

3. EPA has not received a copy of USACE, 2006b document entitled, "Final Sediment Quality Characterization of the Gulfport Harbor Federal Navigation Channel," Gulfport Harbor, Mississippi, prepared by EA Engineering, Science, and Technology, Inc. January 2006. This document should be included with the final EIS for our review.

The USACE states that “the document will be included as part of the administrative record for the SEIS.

EPA Response: We would like to receive a copy of the document for our review as soon as possible.

Overall, the USACE addressed many of EPA's concerns. However, some questions still remain. Every effort should be made to minimize the environmental impacts to biological resources, find beneficial uses to the extent practicable for the disposal material and provide EPA with the MPRSA Section 103 Evaluation, Sediment Testing Report to ensure that the disposal material meets the Ocean Dumping Criteria. We also request that the USACE address EPA's remaining comments in the record of decision (ROD) and we request a copy of the ROD.

We appreciate your ongoing coordination with us. The EPA technical contact will be Doug Johnson (404/562-9386) located in our Water Division, while our NEPA contacts will be Ntale Kajumba (404/562-9620) kajumba.ntale@epa.gov and Paul Gagliano (404/562-9373) gagliano.paul@epa.gov of my staff in the EPA Atlanta regional office.

Sincerely,

A handwritten signature in black ink, appearing to read "Heinz J. Mueller", with a stylized flourish at the end.

Heinz J. Mueller, Chief
NEPA Program Office
Office of Policy and Management